

# Survivor Benefit Plan



The [Survivor Benefit Plan](#) helps by paying spouses, eligible children or others, when identified, 55 percent of a retired military member's pay when that person dies. It protects the retiree's beneficiaries against loss of financial security and is adjusted for inflation. At retirement, service members can elect to choose from several [SBP options](#).

Children are eligible for SBP payments as long as they are unmarried, under age 18 or under age 22 if still in school. A child who is disabled and incapable of self-support remains eligible if the disability occurred before age 18 (or before age 22 if a full time student). If there are multiple children and the oldest child becomes ineligible because of age, marriage or because he or she is no longer a student, then the other children will receive the annuities. The SBP costs for child coverage will stop when they are no longer eligible to receive payments.

The SBP is generally an irrevocable decision. However, there are certain circumstances where an SBP participant can terminate their SBP coverage. For example, if there are no longer any eligible beneficiaries. Also, there are situations when SBP can be resumed, such as adoption.

## How Receipt of Survivor Benefit Plan Payments May Impact Military Families With Special Needs

When considering SBP for a child with a disability, it is important to think about the long-term impact when electing for the child to receive SBP annuities. Receipt of such funds would impact their [Supplemental Security Income](#), Medicaid benefits or other government assistance, especially when [unearned income](#) over \$20 offsets SSI income dollar-for-dollar. Receipt of SSI is important because it helps to pay for the individual's food, clothing and shelter. Access to Medicaid is important when a child becomes an adult. Medicaid provides at-home and employment supports, transportation and other services. Current federal law precludes payment of SBP annuities into Special Needs Trusts, because the funds have to go to the individual, their guardian or other fiduciary such as a [representative payee](#).

### Resources:

- [Military Compensation](#)
- [Department of Defense Instruction 1332.42, "Survivor Annuity Program Administration," dated June 23, 2009](#)
- [Title 10, United States Code, Subchapter II of Chapter 73, "Annuities Based on Retired or Retainer Pay"](#)



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Exceptional Family Member Program support is available for military families with special needs. For more information, please contact your installation EFMP office or visit [MilitaryOneSource.mil/EFMP](#), an official Department of Defense website.